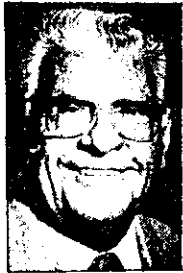


Fremont's new demands include GM dealerships

By Rex Bowman
STAFF WRITER

FREMONT — Catellus Development Corp. will likely be allowed to build its controversial Pacific Greens project, with 1,400 houses, condominiums and apartments, a golf course, industries and commercial offices west of Interstate 880 — if the company agrees to changes made by city leaders.

In a City Council meeting that started on Tuesday night and resumed Wednesday evening, the council hammered out changes to the contract that Catellus, formerly Santa Fe Pacific Realty, had proposed in an effort to strike a better deal for the city.



Ball

One of the more unusual conditions is also aimed at subsidizing Catellus to recruit U.S. auto makers, and specifically General Motors Corp., into the auto mall, carved into the northwest corner of the Pacific Greens site.

The council tentatively agreed to demand that Catellus:

- Build a fire station at no cost to the city. Catellus had asked the city to reimburse it \$1.4 million.
- Speed up the payment of \$8.6 million in bonus fees. Catellus would complete the payments in six years rather than nine.
- Start construction of the golf course before it begins building houses. Work would begin no more than four years from the date of the council's approval.
- Offer incentives to persuade domestic auto dealers to move into the new auto mall west of the Pacific Greens site.

'Only hang-up'

Mark Crutcher, project administrator for Catellus, said the council's auto mall incentive looked like "the only hang-up."

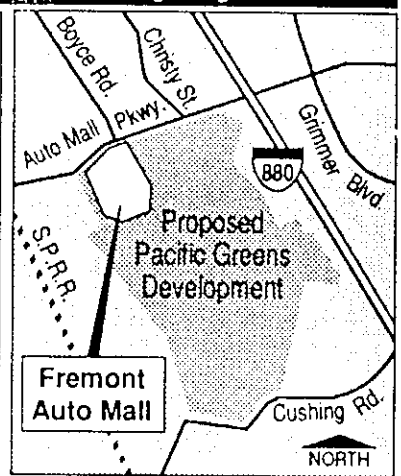
The council wants Catellus to pay the city \$600,000 every year for 10 years. If the company brings three GM dealers to the auto mall in a specified period of time, the annual payment would drop to \$384,000. If it manages to bring in two more GM dealers — or any three other domestic car dealerships — the payment would drop to \$240,000.

Catellus accord is near

2-6-92

Catellus Development project

Pacific Greens project includes	
Feature	Acres
1400 dwelling units	164
Golf course	148
industrial buildings	135.5
Fire station	2
School, with park	10
Park	16
Wetland enhancements	26
Open space	20.5
Hotel site	5
Site for driving range or industrial use	10



CRAIG CURTISS—Staff

Catellus: Three votes expected

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The council's intent is to promote domestic car sales while gaining an advantage over Newark, which is apparently working to lure GM dealerships away from the Centerville District.

Catellus had proposed paying the city \$300,000 a year for 10 years, instead of \$600,000.

Despite Crutcher's concerns, Mayor Bill Ball was happy with the direction events were taking. Going into Tuesday's meeting, the mayor worried the project might work to the city's financial detriment over the years.

But after hearing from the city's

finance director and working on the contract changes, Ball said he is confident the project is superior to the industrial-use project already approved on the site.

Council members John Dutra and Gus Morrison were apparently anticipating that Ball will vote next Tuesday with council members Gary Mello and Alane Loisel to approve the project. Although Dutra and Morrison are unlikely to vote for the project, they worked with the three other council members to make the proposed changes to the development agreement.

The public will be allowed to speak on the project at the 7 p.m. Tuesday meeting in the City Government Building, 39700 Civic Center Drive.